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ABSTRACT

This booklet addresses issues concerning the various responsibilities of trustees on governing boards of independent colleges and universities. Introductory information notes the increasing complexity and significance of the trusteeship role and its unique context in independent institutions. The booklet distinguishes between board and individual trustee functions and raises questions that underscore good practice for each function. The following board responsibilities are addressed: (1) setting and clarifying the institution's mission and purpose; (2) appointing the chief executive; (3) supporting the president; (4) monitoring the president's performance; (5) assessing board performance; (6) insisting on strategic planning; (7) reviewing educational and public service programs; (8) participating in fund raising; (9) ensuring good management; (10) preserving institutional independence; and (11) relating campus to community and community to campus. The individual trustee's responsibilities are discussed in terms of general standards of conduct, mutual expectations of board members and chief executives, and the commitment of trusteeship. Questions to consider when invited to serve on a board of trustees are suggested. (DB)

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ED 427 626

BOARD BASICS

THE FUNDAMENTALS

TRUSTEE RESPONSIBILITIES

A Basic Guide for Governing Boards of Independent Institutions

BY RICHARD T. INGRAM

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Trustee Responsibilities

Trustees who serve independent colleges and universities fulfill their considerable responsibilities in one of the most complex political, economic, and social environments in the 350-year history of American higher education. The obligations of trusteeship grow increasingly complex and significant. Consider these propositions:

- Citizen trusteeship is undergoing the most stringent test of its viability and fitness since the turbulent 1960s (the Vietnam era) and 1970s (a major economic recession).
- Trustees and chief executives must think and act more strategically to anticipate and resolve changes in trends that affect higher education: Shifting student demographics, unforeseeable changes brought about by information technology, and mounting pressure for more cost effectiveness, productivity, and quality are just a few.
- Board members must heighten their understanding of their institution's academic programs to help strengthen its core functions—teaching and learning.
- Board members are among their community's most influential citizens, and they should be prepared to become stronger advocates for their institutions and all of higher education, in balance with their responsibility to represent and serve their public trust.
- Boards must more resolutely pursue their commitment to regular, informal self-study to ensure that they are attaining the highest standards of performance.

These emerging realities complicate an already difficult charge: The governing board is its institution's legal owner and final authority. It holds the institution's financial, physical, and human assets and operations in trust for future generations. It decides who should benefit from those assets, how, why, and when.

Trustees, as individuals, have no legal authority, nor are they entitled to special privileges. Rather, their authority and fiduciary responsibilities arise exclusively from their participation with others when a governing board officially is convened. And yet much is expected of us, as individuals, between board meetings. This is one of the many ambiguities that accompany academic trusteeship. This publication addresses some of these ambiguities.

Most governing boards exercise their authority judiciously and cautiously as they strive to balance competing—and often conflicting—priorities and concerns.

MOST GOVERNING BOARDS EXERCISE THEIR AUTHORITY JUDICIOUSLY AND CAUTIOUSLY AS THEY STRIVE TO BALANCE COMPETING—AND OFTEN CONFLICTING—PRIORITIES AND CONCERNS.

Effective boards

- exert authority while exhibiting restraint,
- make decisions after being assured that affected constituent groups have been consulted,
- are advocates of the institutional good while weighing the larger public interest,
- adhere to the laws and regulations that underpin the institution's legitimacy while championing its right to operate without governmental control and unreasonable intrusion,
- have members who help to build consensus on complex issues while respecting different points of view,
- think and act strategically,
- know when to lead and when to follow, and
- are loving critics of their academic leaders.

The Unique Context of Independent Institutions

Trustees of independent colleges and universities are surrogates of the general public. They are responsible for acting on behalf of their fellow citizens and institutional founders as their individual consciences and best judgment dictate. Although they operate with much more freedom than public institution trustees, independent institution trustees have a clear obligation to act in the public interest. State governments charter and enable private institutions to operate as nonprofit, degree-granting entities. The federal government provides tax-exempt status, which helps to create a favorable environment for philanthropy. And many private institutions receive direct and indirect grants from state governments in recognition of their public purposes.

"Independence" from governmental control is relative and will be sustained only as long as governing boards and their administrations keep their houses in order and meet their fiduciary and ethical responsibilities. This principle is equally true for nonsectarian and religiously affiliated institutions.

This publication serves as general guide for new and seasoned trustees as they fulfill their multiple fiduciary, moral, and ethical responsibilities. It distinguishes between board and individual trustee functions and offers a number of illustrative questions that underscore good practice.

The Board's Responsibilities

Set and clarify mission and purpose. An institution's mission statement should be a succinct and clearly worded description of its broad purpose, its distinctiveness, and whom it primarily serves. It should be a useful document that can guide the board's decision making, rather than a lofty, unattainable amalgam of proclamations. It should enable trustees to judge the appropriateness of various institutional plans, budgeting and resource-allocation decisions, academic restructuring, and other strategic and policy decisions.

Reaffirming or changing the institution's mission statement ultimately is a governing board responsibility, shared with the chief executive and faculty, and—perhaps—with alumni and others. It should be changed cautiously, only after campuswide consultation with key constituents. In the end, however, the board has ultimate authority to make adjustments.

Questions to Consider

- Is each trustee familiar with the institution's statement of mission and purposes?
- When did the board, administration, and faculty last review it? What was the outcome?
- Is the institution what it declares itself to be?
- Does the mission statement clearly convey the institution's purpose and distinctiveness? Does it convey its merit to prospective students and tuition-paying parents?

APPOINT THE CHIEF EXECUTIVE. This is the board's paramount responsibility. Few trustee activities are as consequential to the institution's future as finding and selecting the best possible chief executive, and few activities provide a better opportunity for assessing the institution's present condition and future needs. Clark Kerr, president emeritus of the University of California, said it best: "The ultimate test of a board's effectiveness is its ability to attract and keep effective chief executives."

Inherent in this complex process are several subordinate tasks: Among them are (1) establishing the criteria for selecting a search firm; (2) involving faculty, student, and alumni leaders as appropriate with the institution's traditions and values; (3) selecting an effective interim president, if necessary; and (4) defining the ideal characteristics of a new leader. Most boards employ a single search committee, although some prefer two committees: one to search and screen (this committee comprises representatives of key constituents, especially faculty) and another to select (this committee usually consists entirely of trustees). Regardless of the consultative process used to find and select a new chief executive, the board is solely responsible for the final decision.

In the coming years, it is possible that greater numbers of boards will consider the potential benefits of succession planning. This strategy (much more common in the corporate world) is difficult to practice in

academe. Doing so, however, can yield several substantial advantages, not the least of which is continuity of effective leadership. That so few institutions practice succession planning or look inside for qualified candidates reflects the political nature of leading and managing colleges and universities.

BOARDS SUPPORT THEIR PRESIDENTS IN MANY WAYS, BEGINNING WITH ESTABLISHING CONDITIONS OF EMPLOYMENT APPROPRIATE TO THE VULNERABILITIES OF THE PRESIDENCY.

Questions to Consider

- Is there a record of the previous search? If so, what lessons can the board learn from it? If not, what should the board do to ensure that lessons learned from the current search are properly documented?
- Did the board or its search committee carefully review the institution's needs and priorities before determining the qualifications for its new leader? Were the board's expectations and priorities clearly explained to the final candidates?
- Does the board have standard policies and procedures to guide the next presidential search process?
- Does succession planning offer potential value to the institution?

SUPPORT THE PRESIDENT. Boards support their presidents in many ways, beginning with establishing conditions of employment appropriate to the vulnerabilities of the presidency. This includes setting fair compensation, given the enormity of the president's responsibilities and the community's high expectations. Board members can demonstrate their support by faithfully attending meetings, making substantial gifts to the institution and persuading others to do so, showing interest in the issues and opportunities that preoccupy the president, and offering an encouraging word now and then—especially by acknowledging accomplishments and progress.

Additionally, boards can show support for a president by defending unpopular—but appropriate—decisions most chief executives eventually must make. This practice should not suppress critique, however; capable and confident presidents are able to benefit from candid and informed suggestions from board members. But public criticism is always harmful (and can presage trouble) even when it is followed by private apology.

Further, when disgruntled faculty or staff take grievances directly to the board (increasingly commonplace) trustees must side with the president or at least remain neutral until all facts are known. Additionally, they should quickly relate the substance of such conversations to the president. The sound practice of "no surprises" between the board and the chief executive should prevail.

Board support of the president is most evident when both parties understand their unique partnership and carry out their complementary roles in an atmosphere of mutual respect, trust, and open communication. The only place a chief executive can look to for consistent support is the governing board.

Questions to Consider

- Was there an issue within the past year or two that caused the president to be on the hot seat? What was the board's response? How was the issue resolved?
- Does the board encourage or discourage the president from publicly addressing current higher education issues (even those that might be controversial) or other social and ethical questions of the day?
- How has the board demonstrated its appreciation of the president? Of the contributions made by the president's spouse?
- If the president has served a sufficient length of time, should the board encourage him or her to take a sabbatical to recharge and renew?

Monitor the president's performance. The board must monitor the president's performance, although many boards procrastinate or neglect to do so because this delicate task is so difficult to carry out. Done well, however, a formal review process can be enormously helpful to the president and instructional for the board; done poorly, it can result in more harm than good. Trustees can ensure that a formal review process begins correctly by being mindful of its primary purpose: Formal and comprehensive reviews should be designed and carried out *to help the incumbent strengthen his or her performance*.

Because strong presidents and capable boards are essential to the well-being of the institutions they serve, and because in the healthiest academic settings the effectiveness of one depends largely on the performance of the other, this responsibility warrants a fresh examination from a different perspective. Rather than singling out the president for a formal review at the five-year or seven-year mark, the board should insist on a *concurrent* review of its own performance and the president's performance. Clark Kerr's admonition of a decade ago still rings true. "Few presidents can be much better than their boards," he wrote in the classic *Presidents Make A Difference*. "None can be much worse—at least not for very long."

An ideal approach to concurrent presidential and board assessment is to select an assessment team of two persons from outside the institution: a former president who enjoys a solid reputation and an experienced trustee. They can help to design an appropriate process and implement it with objectivity and professionalism.

Questions to Consider

- How does the board currently review the president's performance? Who participates and how?
- Does the board ask the president to provide an annual statement of major goals and objectives, and a report of his or her achievements (and frustrations) with regard to goal statements from the preceding year?
- When did the board last review its own performance? How did it conduct the review?
- What are the pros and cons of conducting a concurrent review of board and presidential performance?
- Would the participation of an external consultant(s) enable all parties to learn something useful from such a process?

ASSESS BOARD PERFORMANCE. Every board should assess its own performance as part of its fiduciary responsibility to ensure the institution is sound. By doing so, the board sends a signal to the entire academic community that it is committed to improved performance at all levels of the institution.

The assessment need not be complicated or tedious. A written survey completed by individual trustees and the president can provide perspective and insight that reinvigorates the entire board, enables individual trustees to become better acquainted with one another (this is particularly important on independent boards, which tend to be larger than public boards), and raises issues and concerns that typically do not surface during regular meetings.

A special board workshop or retreat for this purpose every three or four years can improve board and presidential morale and strengthen working relationships. It also is one of the most effective forms of trustee orientation. Because boards and presidents are likely to view their relationships differently, retreats are best organized and conducted by an experienced facilitator who can bring objectivity to the discussion.

Questions to Consider

- When did the board last assess its own performance? What were the results, and what steps did the board take to incorporate improvements in its structure, operations, and processes?
- If the board, its officers, or the president are avoiding or unreasonably postponing this responsibility, on what grounds are they doing so?
- Is the performance of individual trustees who are eligible for reelection assessed by the appropriate board committee in line with criteria or standards adopted by the board?

INSIST ON STRATEGIC PLANNING. Governing boards must ensure that the administration and faculty engage in sound planning, assess the quality of the results, identify and implement new priorities, and set new goals. The importance of planning is evident in the number, complexity, and interdependence of issues that challenge independent institutions: administrative and academic restructuring, enrollment, cost containment, and information technology among them. But ambiguities about the board's

A SPECIAL BOARD WORKSHOP OR RETREAT EVERY THREE OR FOUR YEARS CAN IMPROVE BOARD AND PRESIDENTIAL MORALE AND STRENGTHEN WORKING RELATIONSHIPS.

role persist. How should the board be involved? Do members have sufficient time and knowledge to take part? Clearly, trustees who have the requisite time, commitment, and expertise to join administrators and faculty in strategic planning should be included in this critically important process.

Questions to Consider

- When was the last strategic-planning process conducted? What campus groups participated? Did the board have a substantive role?
- What can the board learn from reviewing the previous planning process?
- Does the board receive periodic reports to monitor the institution's progress toward goals?
- How are the trustees engaged with administration and faculty leaders on issues that affect the institution's future? How can able and interested trustees contribute to strategic planning?
- How can standing or ad-hoc committees contribute to the planning process?

REVIEW EDUCATIONAL AND PUBLIC-SERVICE PROGRAMS. Of all board responsibilities, this is one of the most ambiguous. The board ultimately is responsible for establishing or terminating academic programs, but many administrators and faculty question whether board members are sufficiently knowledgeable to make such decisions. This area of board oversight inevitably causes tension between faculty members on one hand and administrators and governing boards on the other. However, this responsibility is linked to the board's duty to mandate strategic planning and to approve annual budgets.

Trustees should know which academic programs are strongest, which are weakest, and why. They should know which contribute the most and the least to the institution's reputation and financial health. And they should be familiar with academic personnel policies, including tenure, the opportunities and limitations of post-tenure review, and the growing number of alternatives to tenure currently being debated.

With regard to public-service programs, trustees should encourage and contribute to good "town and gown" relationships, without undermining the president's position to speak on behalf of the institution.

Questions to Consider

- Are all of the institution's educational programs consistent with its mission?
- Does the institution's overall budget reflect and support academic priorities? Are resource-allocation decisions made according to those academic priorities?
- Are faculty personnel policies equitable (including reward systems and tenure, if appropriate)? Are they periodically reviewed and compared with comparable policies at peer institutions?
- How can trustees appropriately engage faculty in substantive discussions of institutional issues without undermining the presidency or its incumbent?
- How does the institution evaluate the quality of academic programs?
- How is information technology used to enhance teaching and learning?

PARTICIPATE IN FUND-RAISING. Trustees are expected to make annual gifts in proportion to their capacity. Further, they are expected to help raise money—directly and indirectly. A mark of an effective board and a fully engaged individual trustee is the ability and willingness to give and to influence others to give. Trustees must set the example for others, expect giving from one another, and lead the way to successful fund-raising initiatives.

If one accepts the privilege of serving on an independent college or university board, the responsibility to serve it well and ensure its financial viability is implicit. If the institution is not at the top of the trustee's priorities to give time *and money*, he or she should relinquish the position. Trusteeship and philanthropy go together.

Questions to Consider

- Do board members regularly see reports on *the board's* aggregate of unrestricted and restricted gifts and grants? Are those amounts routinely compared with giving for the same period from the preceding fiscal year?
- Is individual giving increasing? Is it proportionate to each trustee's means?
- If the board's record for "giving and getting" is less than it should be, what steps can board leaders take to improve the picture?
- Is this responsibility clearly explained to trustee candidates? Is it included in an orientation and development program for new trustees and discussed during board retreats?

ENSURE GOOD MANAGEMENT. One mark of a well-managed institution is that revenues and expenditures are in balance, although this principle may have little or no bearing on the quality of the academic programs or the institution's graduates. Also important to good management are (1) the quality of the faculty and their commitment to their disciplines, their departments, and their institution; (2) good risk-management policies and practices; (3) the quality of the senior management team; (4) the adequacy of student and faculty due-process policies and procedures and how well the institution adheres to them; (5) compliance with state and federal laws and regulations; (6) the condition of the physical plant; (7) the size and performance of the endowment—and much more.

For the board to carry out this responsibility effectively, it must review data that determine and forecast the institution's overall financial condition. The chief executive and senior administrators should prepare reports in executive summary formats that include comparative data from previous fiscal quarters or years and trend data that project the institution's probable performance. Above all, trustees should be informed, alert, and proactive with regard to their fiduciary responsibility. They must not shy

away from asking for the information they need, nor should they hesitate to probe for information by asking challenging questions. Additionally, trustees must ask for clarification on issues that may be presented in an unfamiliar or unintelligible way.

ABOVE ALL, TRUSTEES SHOULD BE INFORMED, ALERT, AND PROACTIVE WITH REGARD TO THEIR FIDUCIARY RESPONSIBILITY.

Questions to Consider

- Does the board understand the distinction between ensuring or *overseeing* good management and *actually managing* the institution? Do the president, senior administrators, and the board agree on the distinction?
- Do the president and board set mutually agreeable goals or priorities at the beginning of each academic or fiscal year?
- How does the board define effective management? Are the criteria, strategic indicators, or benchmarks shared by the president?
- Do all board members regularly receive the information they need to monitor the institution? Is information presented in useful formats?

PRESERVE INSTITUTIONAL INDEPENDENCE. The principles and practices of self-regulation are increasingly important, as pressures from governments for more accountability strain institutional independence. Voluntary institutional accreditation and volunteer governing boards provide a healthy distance between campus and capitol, but trustees must ensure that their institutions continue to earn the right to maximum freedom from government intrusion.

Institutional accreditation reviews can help governing boards meet their responsibility to assess the institution's performance. But it remains to be seen whether the accrediting agencies can cope with many new pressures. The continuous process of accreditation reform should be a major concern of all trustees and presidents.

Questions to Consider

- Is the board familiar with the standards and methodologies of the regional association that accredits its institution?
- Is the board aware of relevant public-policy developments at the state and federal levels, especially those that affect the institution's independence, governance, management, and students' financial-aid needs?
- Are board members prepared and willing to serve as effective advocates on the public-policy issues that affect higher education? At the state and federal levels?

Relate campus to community and community to campus. Because trustees often have one collective foot firmly planted in "the real world" and the other in "the academic world," they are uniquely positioned to serve as liaison to both. Sometimes, the board and its leaders must defend policies and explain institutional actions to their communities. Other times, the faculty and administration benefit from occasional doses of reality trustees offer. Trustees are advocates, "loving critics," institutional ambassadors, and public representatives. As such, they exercise important civic responsibilities.

A key issue trustees face is the institution's responsibility to be inclusive in its admissions, aid, hiring practices, and board composition. As the demographics of the nation continue to change, trustees should understand the practical and moral implications of this principle for their institution.

Questions to Consider

- Do board members have a good record of representing the institution in their circles of influence?
- How can trustees better understand and respond to the public's concerns about the institution?
- Is the gender, racial, and ethnic composition of the board reasonably reflective of the composition of the student body?

Serve occasionally as a court of appeals. The responsibilities in this area are obvious: ensuring that good due-process policies and procedures are in place and followed, ensuring access to the best possible legal counsel, asking good and timely questions, reviewing periodic reports on the institution's legal affairs carefully and thoroughly, and ensuring that good risk-management practices exist.

Less obvious and more sensitive are the ground rules the board creates to review or adjudicate major personnel actions or student disciplinary appeals. The conventional advice is still sound: The board should limit its review of the merits of a case to determining whether institutional policy and procedures were properly followed. By doing so, the board usually will act as a "court of appeals." Typically, the board can pursue one of two courses of action: (1) reaffirm a decision or (2) remand the case for a second review with a clear statement of what the board (or its committee) found to be troublesome. While the board must be mindful of the president's position and the importance of protecting the integrity of the presidency, trustees also must recognize that the board is the ultimate campus authority, short of the civil or criminal courts.

Some campuses are making good use of alternative dispute-resolution or mediation services. Trustees should know if such techniques exist at their institutions and, if so, how well they work. Further, trustees should consider using such alternatives in situations when the board is involved in a dispute with another party, if it is appropriate to do so. In these cases, the advice of legal counsel is valuable.

Questions to Consider

- When were the institution's due-process policies and procedures last reviewed by legal counsel and board leaders?
- Under what circumstances does the board agree to hear faculty, staff, or student grievances?
- What is the institution's record in handling lawsuits? Over the last five years, what types of lawsuits are most frequently brought against the institution, and how were they resolved?
- Does the institution employ good risk-management practices—especially in the education of those with hiring and firing authority?
- Does the institution use mediation services when appropriate?
- Does the board periodically review the legal issues affecting the institution?

The Individual Trustee's Responsibilities

Only the governing board has legal standing; individual trustees possess no authority or special prerogatives. Boards find it useful to adopt formal statements of responsibility to clarify some basic expectations their members have for one another.

Basically, trustees are judged by their peers and others largely on their willingness to be team players and knowing when to lead and when to follow. Trustees are held to high standards of conduct. Here are some guidelines:

TRUSTEES ARE JUDGED BY THEIR PEERS AND OTHERS LARGELY ON THEIR WILLINGNESS TO BE TEAM PLAYERS AND KNOWING WHEN TO LEAD AND WHEN TO FOLLOW.

- Serve the institution as a whole. Individual trustees have a responsibility to support the majority action, even when they disagree.
- Seek opportunities to inform the public about the institution.
- Avoid conflicts of interest, real or perceived, because of affiliations or the temptation to request personal favors for oneself, family, or friends. Individual trustees must protect the integrity of the board and institution at all times through disclosure and by deciding whether their trusteeship may be of lesser or greater value than an opportunity to gain financially.
- Guard against being the subject of an "ambush interview," especially during times of controversy. Speaking for the board or institution ordinarily is reserved for the chief executive or board chair, as appropriate to the issue or circumstance.

Mutual Expectations of Board Members and Chief Executives

Trustees ask their chief executives to do the following:

- provide data and information that are comprehensive, accurate, and useful;
- respect the board's fiduciary and other responsibilities to hold the institution accountable to the general public;
- be an academic leader, adept politician, and effective fund-raiser by consulting as much as practical and appropriate with constituents;
- accept with patience, grace, and style differences of opinion and the occasional disagreement with the board's posture on important issues;
- avoid surprises—at least too many of them;
- use the board's time efficiently, especially in meetings; and
- work closely with the board chair to educate and lead the board.

The chief executive asks board members to do the following:

- be open and forthright, fair and even-handed;
- help instill in all board members the important principle that the chief executive works only for the board as a whole;
- avoid surprises, especially in public disclosure;
- think and act on behalf of the best interests of the institution and the board, first and foremost;
- maintain confidentiality;
- set an example in personal philanthropy; and
- have a sense of humor.

The Commitment of Trusteeship

To be invited to serve on a board of trustees is one of the highest honors a college or university can bestow upon an individual. Such an invitation indicates that the individual has made a significant contribution to his or her community, has made noteworthy achievements in the service of society, and is capable of making equally important contributions to the institution and to higher education. In a nation of 260 million people, only 50,000 citizens currently serve on academic governing boards.

Trusteeship is exciting, rewarding, and demanding; it requires commitment, time, intellectual energy, and effort. Such a calling is not for everyone. What should a potential trustee consider when deciding to accept an invitation to serve on a board?

The following questions have been adapted from *The Commitment of Trusteeship*, an essay written by governance expert and retired college president John W. Nason for AGB in 1990. His wisdom endures.

1. Do you have an interest in higher education and a genuine concern for this college or university?

Higher education is beset with a myriad of unanswered and complex questions. If they do not interest you, you would be better advised to spend your energy on other activities. The number of good causes is nearly infinite. The time and energy of any single individual is finite. Put your efforts where your heart is.

2. Are you prepared to commit the necessary time and energy?

Trustees are expected to attend board meetings, serve on committees, and occasionally represent their institutions at public functions. These activities take time—an average of six hours a month for the typical independent institution. Further, trustees must take on work between meetings—reading background material, committee reports, and higher education publications; consulting with their board colleagues and the

chief executive; and completing work as a result of their committee assignments. While the work load is not burdensome, it does take time and effort.

3. Have you any conflicts of interest?

Trusteeship today is more vulnerable to potential conflicts of interest than in the past. Boards have ways of addressing and resolving conflicts of interest—chiefly by recording them in advance and by individual trustees excusing themselves from decisions that may present potential conflicts of interest. Where a conflict may exist, it might lend itself to misinterpretation. Prospective trustees must calculate all risks.

4. Are you prepared financially to support the institution, and are you prepared to ask others to give money?

This is a double-barreled question: Trustees must be prepared to carry out both tasks effectively. The board must provide the leadership in fund-raising. The independent college or university trustee should give according to his or her financial means. Capital campaigns especially must begin with the generous donations of board members.

5. Are you prepared to be a public advocate for the institution?

Sooner or later, a chief executive will need the public support of his or her board; trustees must be prepared to defend their institutions. Sometimes, trustees must support a controversial or unpopular policy, decision, or action. Institutions must be free to decide what and how to teach, who will do so, whom to admit, what research to conduct, and what values the institution embraces. Trustees must be prepared to use their personal status and goodwill to defend their institution's integrity and reputation.

6. Are you prepared to work within the conventional framework of academic governance?

The academic world differs from the corporate world in several important respects. Most notably, important policy decisions are the result of consultation among the board, the chief executive, and the faculty, among others. This decision-making process can be unsettling to executives who are accustomed to unilateral decision making. Nevertheless, most institutions operate under some rubric of shared governance, and trustees must learn to accommodate decentralized decision making.

Additionally, presidents have less authority than CEOs of businesses. Academic presidents often lead by persuading others to follow, rather than dictating that they do so. Trustees need to recognize the importance of the president's role as mediator and provide sufficient support. Further, boards of trustees remain more actively engaged in the institution than most boards of for-profit enterprises. Trustees must ask questions, challenge recommendations, and explore alternatives.

Finally, trustees must be prepared to accept group decisions, even when they disagree. They should not shy away from voicing their strong convictions and independent judgments, but when the group decision has been made, a good trustee will support it. If not, he or she should be prepared to resign.

7. Do you understand the full range of college or university trusteeship?

In general, three personal qualities identify the successful trustee. First, a trustee should be curious about every aspect of the institution's operations and be willing to ask questions. Second, a trustee must tolerate ambiguity and be able to function effectively in an environment where complex questions preclude simple answers. Third, a trustee must have a sense of humor—that is, a sense of proportion and perspective, and a realistic view of one's own limitations.

It's a great job.

This publication is part of **Board Basics**, an AGB series devoted to strengthening the effectiveness of governing boards and trustees. Board Basics comprises several topic clusters each of which contains several booklets—The Fundamentals, Financial Matters, Fund-Raising, Academic Affairs, Leadership, Strategic Decision Making, and Effective Committees. Several assumptions underlie the series:

- Academic trusteeship grows increasingly ambiguous, and trustees need concise, accessible, and focused information to help them carry out their complex fiduciary and stewardship responsibilities.
- Basic principles of trusteeship remain constant across higher education, regardless of institutional type, size, and mission. The series highlights these general principles to provide trustees with a core of knowledge they can apply to their individual institutions.
- The series addresses the distinguishing characteristics of academic trusteeship, especially as it differs in scope, substance, and focus from corporate directorships and other board service.

AGB and the authors welcome comments and suggestions to improve this publication and others in the series. Call AGB publications at 800/356-6317 or visit our Web site at http://www.agb.org for more information.

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